

**IC 5-28-8**

## Chapter 8. Economic Development Fund

**IC 5-28-8-1****"Federal agency"**

Sec. 1. As used in this chapter, "federal agency" means the Economic Development Administration of the United States Department of Commerce.

*As added by P.L.4-2005, SEC.34.*

**IC 5-28-8-2****"Federal program"**

Sec. 2. As used in this chapter, "federal program" means a federal loan or grant program that promotes economic development.

*As added by P.L.4-2005, SEC.34.*

**IC 5-28-8-3****"Fund"**

Sec. 3. As used in this chapter, "fund" refers to the economic development fund established by section 5 of this chapter.

*As added by P.L.4-2005, SEC.34.*

**IC 5-28-8-4 Version a****"Qualified entity"**

*Note: This version of section effective until 5-15-2005. See also following version of this section, effective 5-15-2005.*

Sec. 4. As used in this chapter, "qualified entity" means the state, a political subdivision of the state, an agency of the state or a political subdivision of the state, a nonprofit corporation, or the Indiana development finance authority established under IC 4-4-10.9 and IC 4-4-11.

*As added by P.L.4-2005, SEC.34.*

**IC 5-28-8-4 Version b****"Qualified entity"**

*Note: This version of section effective 5-15-2005. See also preceding version of this section, effective until 5-15-2005.*

Sec. 4. As used in this chapter, "qualified entity" means the state, a political subdivision of the state, an agency of the state or a political subdivision of the state, a nonprofit corporation, or the Indiana finance authority established under IC 4-4-10.9 and IC 4-4-11.

*As added by P.L.4-2005, SEC.34. Amended by P.L.235-2005, SEC.93.*

**IC 5-28-8-5****Fund established; purpose**

Sec. 5. (a) The economic development fund is established within the state treasury. The fund is a revolving fund to provide grants and loans for economic development activities in Indiana for the

purposes of this chapter.

(b) The fund consists of appropriations from the general assembly and loan repayments.

(c) The corporation shall administer the fund. The following may be paid from money in the fund:

(1) Expenses of administering the fund.

(2) Nonrecurring administrative expenses incurred to carry out the purposes of this chapter.

(d) Earnings from loans made under this chapter shall be deposited in the fund.

(e) The money in the fund at the end of a state fiscal year does not revert to the state general fund but remains in the fund.

*As added by P.L.4-2005, SEC.34.*

#### **IC 5-28-8-6**

##### **Investment of fund by treasurer of state**

Sec. 6. (a) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund.

(b) The treasurer of state shall also:

(1) receive cash receipts belonging to the fund, deposit these amounts in the fund, and submit a monthly report to the corporation of these transactions; and

(2) make payments on vouchers authorized by the corporation.

*As added by P.L.4-2005, SEC.34.*

#### **IC 5-28-8-7**

##### **Drawing of warrants**

Sec. 7. The auditor of state shall draw warrants on the treasurer of state in payment of properly prepared vouchers signed by the president of the corporation or the president's designee.

*As added by P.L.4-2005, SEC.34.*

#### **IC 5-28-8-8**

##### **Guidelines for receipt of grants and loans**

Sec. 8. (a) The corporation shall receive grants allocated by a federal program for the purposes specified in section 9(c) of this chapter. Guidelines shall be prepared by the corporation enumerating the qualification procedures for receipt of grants and loans from the fund. These guidelines must be consistent with Indiana law and federal program requirements.

(b) The board, with the approval of the budget agency and the governor, shall allocate parts of the fund for the purposes specified in section 9(c) of this chapter. The corporation shall make allocations on the basis of the need of the qualified entity.

(c) The corporation shall keep complete sets of records showing all transactions by the fund in a manner that enables the corporation to prepare at the end of each fiscal year a complete report for the general assembly. The information in the report must be sufficient to

permit a complete review and understanding of the operation and financial condition of the fund. The report must be submitted in electronic format under IC 5-14-6.

*As added by P.L.4-2005, SEC.34.*

#### **IC 5-28-8-9**

##### **Applications for grants; approved projects**

Sec. 9. (a) If federal money will not be used in conjunction with fund money, a qualified entity that wants a grant from the fund must submit an application for the grant to the corporation. The corporation shall review the application and may approve the application if the activities for which the grant money is to be used are activities:

- (1) that the qualified entity has statutory authority to perform; and
- (2) for which this chapter permits fund money to be used.

(b) When fund money is to be used to match federal money, a qualified entity that wants a grant must submit to the corporation an application for a grant under the federal program. The corporation shall review the application and shall submit the application to the federal agency if the corporation finds that the activities for which the grant money is to be used are activities:

- (1) that the qualified entity has statutory authority to perform; and
- (2) for which the federal program permits money to be used.

Before submitting an application to the federal agency, the corporation must also approve the completeness and technical accuracy of the qualified entity's application.

(c) Money from the fund and money from a federal program may be used for the following projects:

- (1) Public works.
- (2) Technical assistance.
- (3) Economic adjustment assistance.
- (4) Other economic development programs.

(d) If the qualified entity proposes to use its money for a loan program, the application from the qualified entity must contain the conditions under which loans will be made and the interest rate that will be charged.

*As added by P.L.4-2005, SEC.34.*

#### **IC 5-28-8-10**

##### **Applications for loans; repayment**

Sec. 10. (a) A qualified entity may apply to the corporation for a loan from the fund to be used for economic development programs.

(b) An amount loaned to a qualified entity is an obligation of the qualified entity and shall be repaid to the corporation within a time to be fixed by the corporation, not to exceed three (3) years.

(c) The corporation shall determine interest rates for the loans to be made under this section.

(d) Final disbursements of money under this section must be made

with the approval of the state board of finance.

(e) If a qualified entity fails to make repayment of money loaned under this section, the amount payable may be:

- (1) withheld by the auditor of state from money payable to the qualified entity and transferred to the fund; or
- (2) recovered in an action by the state on relation of the corporation, prosecuted by the attorney general, in the circuit or superior court of the county in which the qualified entity is located.

*As added by P.L.4-2005, SEC.34.*